

Hopkinton Budget Committee
February 5, 2009
Draft Meeting Minutes
Public Hearing

Present: David Lancaster, Danny Coen, Patrice Gerseny, Karen Irwin – Chair, Cameron Ford, Marion Paxton, Tom O'Donnell – HVP, Bob Carpenter – CVP, David Luneau – SAU, Chris Lawless – Selectmen.

Absent: None

Meeting Start: 6:30 pm

Meeting End: 8:30 pm

Chair Irwin welcomed all who came to the Public Hearing and then turned the floor over to Chief Schaefer who directed everyone's attention to the nearest fire exit as well as the secondary fires exit and location of the bathrooms.

Chair Irwin then had Committee members introduce themselves and gave an overview of the budgets from the town and school and the budgets agreed upon by the Budget Committee. The proposed budgets, above whatever the county assesses, the towns overall budget increase is \$1.20 per thousand and Budget Committee proposed increase of \$0.52 per thousand.

Hopkinton Village Precinct – Tom O'Donnell

Mr. O'Donnell explained the make up of the precincts two division and how the appropriated monies are spent. He explained the water division is supported solely by the rate payers.

Contoocook Village Precinct – Bob Carpenter

Mr. Carpenter explained the relining project on Spring St. was completed and there is no major project anticipated this year. The largest expenses in the operating budget will be for building repairs at the main office on Kearsarge Ave. and updating office equipment and to study and design programs for upgrades to the water treatment plant. After going through the current rate structure, the precinct will raise fees in order to collect more dollars in water rents and less in taxes.

Library – Barry Needleman, Trustee

Mr. Needleman explained the trustees took guidance from the Board of Selectmen and propose a 3% raise for the employees. Mr. Needleman explained that they had no control over fuel costs. The trustees have begun taking energy saving measures: changed the heating set points within the library; thermo graphic imaging to locate heat loss; brought in an insulating contractor and changed the settings on the radiant floor.

Chair Irwin responded to a question concerning why the Library did their own presenting. She explained that although the Library is part of the town budget, it is governed by a board of trustees. Alyssa Barnes commented that it is a separate article.

School Budget – David Luneau

Mr. Luneau identified 6 main parts of the school budget; a. the operating budget, b. the collective bargaining agreement with the teachers [HEA], c. the collective bargaining agreement with the support staff [HESS], d. the collective bargaining agreement with the teamsters [maintenance], e. the general contingency fund and f. a deposit to the Repair and Maintenance fund. All collective bargaining agreements expire end of June 2009.

- a. The operating budget is up \$166,613 or 1.07%. This funds all programs and services provided by the district. It includes current salaries and salary increases for non union staff, principals, administrators, etc. It includes the salaries but not the salary increases for the union employees, their salary increases are part of the collective bargaining

agreements. Mr. Luneau commented that the school operates in the black and gives back excess monies.

- b. Collective bargaining agreement – teachers, HEA. Teacher base salary increase is 3.75% for the one year agreement.
- c. Collective bargaining agreement – support staff, HESS. Support staff salary increase is 5.67% for the first of 2 years. It allows the employee to participate in a dental plan paid for by the employee.
- d. Collective bargaining agreement – maintenance, Teamsters. The maintenance staff salary increase is 1.94% the first year of a 5 year contract. The agreement provides them with an extra paid holiday – Christmas Eve and allows the employee to participate in a dental plan for a single, paid for by the district. The employee will be required to pay for a family plan.
- e. General Contingency Fund is just over \$50,000. This is used for unforeseen circumstances. Every year the unused portion is returned to the taxpayer in the general surplus.
- f. Deposit to the Repair and Maintenance Trust Fund. The school board is asking for \$75,000 from this current year surplus to be put into the trust fund. The district usually spends about \$60,000 from the trust each year. Currently the trust has about \$106,000. The Superintendent has set a goal of \$200,000 by the July 1, 2012.

Chair Irwin advised that this is the first budget the Budget Committee has recommended a different amount than proposed by the board. She reviewed the footnotes in the Budget Snapshot that explain Budget Committee recommendations. She encouraged all to attend the next Budget meeting on February 11th.

Town Budget – Chris Lawless

Mr. Lawless stated that this year budget is a slightly lower than last year. He identified the lines in the budget that have increases. The Assessing increase is due to new software needed for the residents can look at their tax cards on line. The Fire increase is largely due to the new employee added last year. Solid Waste increase concerns the water issues contract. Recreation and Building and Grounds increases include the absorption of the Slusser Center budget, each absorbing ½ of the centers budget. Each department budget includes a 3% salary increase.

Chair Irwin reviewed the footnotes in the Budget Snapshot that explain the Budget Committee recommendations

Public Comment

Rick Schaefer introduced himself first as the Director of Facilities for the school district. He explained the real need for increasing the Repair and Maintenance Trust Fund. Then as Fire Chief he commented that the fire department returned just over \$10,000 to the General Fund and Ambulance returned \$500. He is concerned about the number of calls that could be received and he mentioned the state helped lock in the lower fuel costs.

Chair Irwin responded by saying the Budget Committee felt the fund was adequately funded given passed history and basically the just the raise was removed from the fire and ambulance budgets. Patrice Gerseny explained the redistribution of dispatch cost fire and ambulance would each pay half.

Rob Nadeau asked David Luneau which middle school athletics were cut and the savings to be gained.

David Luneau identified the programs as: middle school Alpine, middle school Field Hockey Team B, JV Boys Lacrosse [there hasn't been a team for a few years]. The savings would be around \$12,000.

Mr. Nadeau then asked why the Budget Committee felt this wasn't the year for raises.

Chair Irwin said the committee looked at different areas and felt because of a drop in revenue for in the undesignated surplus there would be a higher increase than what the operating budget is showing.

Mr. Nadeau then asked for specifics. He cited that unemployment rate in Merrimack County was less than 4% and that this is acceptable. He would like the committee to look at economic data when making decisions.

Patrice Gerseny noted the 2.65% increase in teacher base pay does not include longevity or step increases and the committee could not justify some employees getting around a 7% salary increase.

Danny Coen commented that the committee would rather save the monies for programs.

Al Bloomquist suggested there is more to economics than the unemployment rate. We need to watch our pennies. He supports the Budget Committee this year only with no wage increases. Possibly renegotiate the benefits since they are up 12% from last year. He would like the Budget Committee to look at other areas like putting a freeze on travel and convention attendance for a year.

Arnold Coda commented that the Highway Department has taken the hit the last couple of years. He asked what was included in the 4311 – Highway Administration and 4312 – Highway & Streets.

Chris Lawless explained 4311 was just salaries and 4312 includes shimming and paving. \$60,000 is for gas and oil, also includes salt and sand and stuff to build roads.

Mr. Coda commented that it was short sighted to reduce 4312,

Mr. Lawless explained that it was level funded largely in part due to the new fuel contract.

Mr. Coda said he was not opposed to the Slusser Center but he believed that there was to be some sort of an endowment established and if any effort was made to create an endowment.

Mr. Lawless responded by saying that there will be a warrant article for rental fees for the center be used towards its bills and nothing has been done towards an endowment.

Mr. Coda asked if the percentage of variance in the school report of 1.07% included raises.

David Luneau directed his attention to the column 'with Articles' and said the 3.41% increase included the raises.

Mr. Coda then asked about the contracts – why did the custodial staff get a 5 year contract and if the details of the contracts are public.

Mr. Luneau said the school board is attempting to stagger the contracts so they don't all come at once. The details of the contracts are public, but not the negotiations. The SAU will make them available on line.

Mr. Coda fully supports a flat budget for the schools. The staff has a choice of 3 medical plans and feels the school board should have negotiated for the teachers to pay more of the premium. If the school board looked at statistics on the ability to pay taxes they would find most retirees cannot afford more and pay their own fuel costs.

Joy Bloomfield asked why additional hours were necessary for the preschool.

David Luneau identified the increase of .8 to 1.0 was driven by the demand on the program and the ratio of students – those with special needs and those without.

Ms. Bloomfield asked why the Slusser Center was under the Recreation Dept. She understood that it was run by volunteers. She also asked what the balance is in the Revolving Fund.

Mr. Lawless explained that the Slusser Center is run by the Recreation Department and budgeted for \$17,000 in a total Recreation budget of \$137,078. The Revolving Fund balance is around \$50,000.

Ms. Bloomfield next asked about the high school Swim Team.

Mr. Luneau said that it is self funded and is affiliated with the school.

Lisa Marie Booth disagrees with cutting middle school sports.

Beth Bloomquist noted the average cost of a sport in the high school is \$4,000. She feels they could give up the assistant coaches and the middle school sports could revert back to HYSA.

David Luneau said that these were first level cuts. The next level would be all middle school sports. Neither is supported by the school board.

Arnold Coda is concerned that sports are played at the taxpayer expense. He said that in Europe schools have sports clubs that are supported by the parents and children. They are not school funded. He is upset that 4 or 5 years ago the School Board established Lacrosse after the voters said no and the current board should go back and correct that decision.

David Luneau said the School Board is looking at increasing all athletic fees and transportation fees for high school students and tuitioning some programs.

Lucille Gaskill requested not to cut the maintenance on buildings. She remembers one year where there were very costly unexpected repairs. She then asked how much it cost the town to

run Summer Camp. She feels that this is inexpensive for the town and it should not be cut from the budget.

Chris Lawless said the cost to the town to run the summer camp is \$13,456.

Beth Taylor supports the Budget Committee and a flat budget. She suggests the town start a giving program for a tax deduction.

David White supports the School Board increases with warrants. He supports Lacrosse and is a member of SEEK. He doesn't think it's prudent to cut the Repair and Maintenance Trust Fund.

Justin Lavigne, Recreation Director has been here 1.5 years. He said that the summer camp will be self funded in a few years. He would like town support for a few more years until he can make it happen. He explained the Recreation Department is responsible for the phone, water, propane and water at the Slusser Center.

Joy Bloomfield said she is in favor of summer camp coming entirely out of the Revolving Fund starting now. She said she feels there is currently enough money in the fund.

Arnold Coda stated he would like to respond to David Whites comments. He assured that because he is speaking against items it doesn't mean he is against all things in the schools. He advised that Hopkinton does not have a large tax base to draw from. The School Board is running a \$15 million dollar business and the School Board needs to educate the citizens in the details of the \$15 million.

Diane LaChance asked why the school budget is \$15 million. Is there a business plan and what resources are available? She would like more details from the School Board. The town gives out details and the school does not.

Beth Bloomquist assessed the cost per student in Hopkinton as \$15K - \$16K per year. She feels the coach and advisor salaries could be cut to \$3,000 for 1 sport per season.

Richard Brandt invited all in the audience to his house to discuss the school budget.

Jim Hersey recommends no salary increase this year.

Respectfully Submitted,

Beth Clark
Secretary